

CONFIDENTIAL

October 16, 1967

GROUP 1

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AND DECLASSIFICATION

Post Office Box 5788
Fort Davis Station
Washington, D. C. 20020

Attention: [redacted] Contracting Officer

25X1

ILLEGIB

Inform you of a potential overrun status on Task Order No. 16 of Contract
As of September 30, 1967, there is [redacted] of uncommitted funds remaining
fact. Our estimate of our costs to complete this equipment in accordance
sign approach is approximately [redacted] see attachment. 25X1

In addition, at a recent conference with your technical personnel it appears that the
unit ordered from [redacted] will not meet your requirements. Specifically our 25X1
design does not provide a capability for pre-setting the reference directly to a Non-
Zero value. To provide this pre-set feature will require a change in our purchase order
to [redacted] who are providing the DIG reading head and associated electronics. 25X1
The costs to provide this feature is [redacted] 25X1

To avoid overrunning the contract we have stopped work awaiting further instructions
from you. We have also instructed [redacted] to stop work pending resolution of 25X1
the pre-set feature requirements.

The pacing item on delivery of the unit is the scale being manufactured by [redacted] 25X1
[redacted] In as much as these scales are independent of the readout electronics, delivery 25X1
will not be affected by the method you choose for delivery. [redacted] informs us 25X1
that they can deliver in 60 to 90 days after receipt of authorization to resume work.
Our delivery to you can be 15 days after receipt of the DIG units from [redacted] 25X1

Therefore, we request additional funds as follows depending upon your decision:

Option 1 Estimated Cost to complete
Less Funds remaining

Funds Required

25X1

Option 2 Estimated Cost to complete
Change of [redacted] order

Sub-total

25X1

Less Funds Remaining

Funds Required

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We are awaiting further instructions from you on the continuance of this Contract on either of the options. If you have any questions of a contractual nature please contact the undersigned. If you have any questions of a Technical nature you may contact [REDACTED]

25X1

Very truly yours,

[REDACTED]

Manager, Contract Administration Department

25X1

JEN/sc

Enclosures: Cost Estimates as stated

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